SOUTH DAKOTA
CROP & LIVESTOCK REPORTER

Volume 54 Issue 1 January 5, 2006

United States Department Of Agriculture

National Agricultural Statistics Service

South Dakota Field Office

5020 S. Broadband
PO Box 5068
Sioux Falls SD
57117-5068

Phone:
605-323-6500

Fax:
605-323-6521

E-mail:
nass-sd@nass.usda.gov

Website:
http://www.nass.usda. gov/sd/

IN THIS ISSUE:

HOGS AND PIG REPORT

SOUTH DAKOTA: The state's December 1 inventory of **all hogs and pigs** was 1.48 million head, compared to 1.34 million a year ago and 1.37 million on September 1, 2005. This is up 10 percent from 2004, and up 8 percent from last quarter.

Breeding stock totaled 165,000 head, up 18 percent (25,000 head) from December 2004 and last quarter. **Market hogs** totaled 1,315,000 head, up 10 percent (115,000 head) from December 2004 and up 85,000 head from last quarter.

The September through November **pig crop** was 744,000 head, 14 percent (91,000 head) above last year. During the quarter 80,000 sows farrowed, 13 percent (9,000 head) above December 2004. **Pigs per litter** averaged 9.30, up from 9.20 a year earlier. Producers intend to farrow 83,000 sows during December 2005 through February 2006. Intentions for March through May 2006 are for 85,000 farrowings.

UNITED STATES: U.S. inventory of all hogs and pigs on December 1, 2005 was 61.2 million head. This was up slightly from December 1, 2004, but down 1 percent from September 1, 2005.

Breeding inventory at 6.01 million head, was up 1 percent from last year and last quarter. **Market hog inventory**, at 55.2 million head, was up slightly from last year, but 1 percent below last quarter.

The September-November 2005 U.S. pig crop, at 26.1 million head, was up 1 percent from 2004 and up 2 percent from 2003. Sows farrowing during this period totaled 2.89 million head, unchanged from last year. The average pigs saved per litter was 9.03 for the September-November 2005 period compared to 8.96 last year. Pigs saved per litter by size of operation ranged from 7.50 for operations with 1-99 hogs and pigs to 9.10 for operations with more than 5,000 hogs and pigs.

HOGS & PIGS: DECEMBER 1 INVENTORY NUMBER, SOWS FARROWING, AND PIG CROP, SOUTH DAKOTA & UNITED STATES, 2004, 2005, AND INTENTIONS, 2006

Item	South Dakota			United States		
	2004	2005	2005 as % of 2004	2004	2005	2005 as % of 2004
	- -1,000 Head - -	- -1,000 Head- -	%	- -1,000 Head- -	- -1,000 Head- -	%
INVENTORY, DECEMBER 1						
All Hogs and Pigs	1,340	1,480	110	60,975	61,197	100
Kept for Breeding	140	165	118	5,969	6,011	101
Market	1,200	1,315	110	55,005	55,186	100
MARKET HOGS						
Under 60 pounds	410	440	107	19,980	19,955	100
60-119 pounds	300	335	112	13,439	13,552	101
120-179 pounds	260	290	112	11,186	11,266	101
180 pounds and over	230	250	109	10,401	10,414	100
SOWS FARROWING						
December 2/-February	70	72	103	2,836	2,835	100
March-May	70	75	107	2,870	2,882	100
June-August	68	68	100	2,905	2,899	100
September-November	71	80	113	2,888	2,888	100
PIG CROP 1/						
December 2/-February	644	677	105	25,105	25,343	101
March-May	658	698	106	25,633	25,986	101
June-August	632	639	101	26,162	26,276	100
September-November	653	744	114	25,881	26,080	101
INTENTIONS TO FARROW	2005	2006	2006 as % of 2005	2005	2006	2006 as % of 2005
December 2/-February	72	83 3/	115	2,835	2,877 3/	101
March-May	75	85 3/	113	2,882	2,890 3/	100

1/ May not add due to rounding. 2/ December preceding year. 3/ Intentions.

HOG/PORK ANALYSIS

In the hogs and pigs "crop year", spring and summer pig crops are typically larger than those of the fall and winter quarters. Milder temperatures are still conducive to larger pig litters and increased weaning rates, even when the animals are housed in fully confined building systems. But with higher spring and summer pig crops come larger slaughters and higher pork production in the fall and winter quarters. With steady demand and increased supplies come lower prices. This year is no exception to this biological/meteorological/economical rule. The 2005 March-May pig crop, which was 1 percent greater than Spring 2004, is currently being slaughtered by U.S. packers.

Fourth-quarter commercial hog production is expected to be about 5.6 billion pounds, or slightly more than 2 percent larger than a year ago. Compared with fourth-quarter 2004, two additional pounds of dressed weight per carcass, largely from moderate feed costs, are expected to contribute to the fourth quarter production increase in addition to higher seasonal slaughter numbers. Fourth-quarter live equivalent prices of 51-52 percent lean hogs are expected to average between $45 and $46 per cwt, still above breakeven production costs for most U.S. hog production operations.

In addition to **seasonally higher numbers** of slaughter-ready hogs, lower year-over-year hog prices are also likely attributable to lower U.S. consumer demand for pork products. Weaker consumer demand is reflected in lower wholesalers' bids to packers for pork products, with packers responding in turn by lowering prices paid for hogs. Last year, the USDA estimated pork carcass composite cutout--an indicator of wholesale value -- in the fourth quarter averaged $74.35 per cwt. This year, the fourth quarter cutout is averaging almost 11 percent lower, at $66.99 per cwt. In the fourth quarter this year, lower wholesale values suggest that U.S. consumers are paying lower prices for a smaller consumption quantity. The argument for lower U.S. pork demand appears to hold for previous quarters of 2005 also. **U.S. pork consumption** in 2005 is expected to be 19.1 billion pounds, which is about 2 percent below pork consumption last year. Wholesale values in 2005 fall about 2.3 percent below 2004; hog prices this year are, on average, almost 5 percent below last year. With lower consumer demand for pork, at the same time 2005 pork production is expected to be about 1 percent above last year, foreign demand for U.S. pork products is likely a key factor supporting hog prices this year.

For 2005, U.S. **exports** are expected to total almost 2.7 billion pounds, or 23 percent more than in 2004. In 2006, exports are expected to total about 2.8 billion pounds, an increase of 3.8 percent, and implying that more than 13 percent of U.S. commercial pork production will be consumed abroad, compared with 1996 when 6 percent of U.S. pork production was exported.

Lower year-over-year **imports** of live swine from Canada are another likely factor supporting U.S. hog prices. U.S. import data show that 2005 imports through October were almost 5 percent lower than a year ago.

Re-introduction of U.S. and Canadian beef into Japan is likely to change Japanese demand for pork products.

Source: Livestock, Dairy, & Poultry Outlook, Economic Research Service (ERS), USDA December, 2005

CHICKEN & EGG PRODUCTION

SOUTH DAKOTA: The average number of layers on hand during November 2005 was 3,309,000, down 9,000 from October but up 120,000 (4 percent) from September. The number of eggs produced during the month totaled 73 million, up 2 million from October and up 6 million (9 percent) from September.

UNITED STATES: Egg production totaled 7.54 billion during November 2005, up 1 percent from last year. Production included 6.48 billion table eggs, and 1.06 billion hatching eggs, of which 996 million were broiler-type and 60 million were egg-type. The number of layers during November 2005 averaged 347 million, up 1 percent from a year earlier. November egg production per 100 layers was 2,175 eggs, up slightly from November 2004.

MONTHLY LAYERS AND EGG PRODUCTION, SELECTED STATES

State	Average Number of Layers on Hand			Eggs per 100 Layers			Total Eggs Produced		
	September 2005	October 2005	November 2005	September 2005	October 2005	November 2005	Sep 2005	Oct 2005	Nov 2005
	- - - - Thousands - - - -			- - - - Number - - - -			- - - - Millions - - - -		
Iowa	48,826	49,351	49,501	2,198	2,286	2,204	1,073	1,128	1,091
Minnesota	11,140	11,243	11,215	2,208	2,313	2,256	246	260	253
Nebraska	11,912	11,923	11,931	2,275	2,273	2,146	271	271	256
South Dakota	3,189	3,318	3,309	2,101	2,140	2,206	67	71	73
United States	342,328	343,987	346,596	2,155	2,239	2,175	7,377	7,701	7,538

PRICES

UNITED STATES PRICES RECEIVED INDEX

The preliminary All Farm Products Index of Prices Received by Farmers in December, at 114, based on 1990-92=100, increased 1 point (0.9 percent) from November. The Crop Index is up 4 points (3.8 percent) but the Livestock Index decreased 2 points (1.7 percent). Producers received higher commodity prices for tomatoes, corn, strawberries, and lettuce. Lower prices were received for oranges, broilers, dairy, and grapes. The overall index is also affected by the seasonal change based on a 3-year average mix of commodities producers sell. Increased average marketings of dairy, wheat, oranges, and broilers offset decreased marketings of cattle, soybeans, grapes, and corn.

Preliminary All Farm Products Index is up 3 points (2.7 percent) from December 2004. The Food Commodities Index, at 120, was unchanged from last month but increased 3 points (2.6 percent) from December 2004.

TRENDS AFFECTING AGRICULTURE

Index (1990-92=100%)	United States		
	Dec 2004	Nov 2005	Dec 2005
Prices Received Indexes	- - - Percent - - -		
All Farm Products	111	113	114
All Crops	104	*105	109
Food Grains	113	*115	116
Feed Grains & Hay	93	*83	89
Oil-Bearing Crops	100	*98	101
Livestock & Products	120	121	119
Meat Animals	118	*120	121
Dairy Products	126	116	113
Poultry & Eggs	118	127	123
Prices Paid Index	134	143	143
Ratio 1/	83	79	80
Crop Sector	137	*146	147
Livestock Sector	131	*139	139

* Revised. 1/ (Received Index/Paid Index).

PRICES RECEIVED BY FARMERS FOR COMMODITIES SOLD

Commodity	And Unit	South Dakota Dec 2004 1/	South Dakota Nov 2005 1/	South Dakota Dec 2005 2/	United States Dec 2004 1/	United States Nov 2005 2/	United States Dec 2005 2/	Parity Price Dec 2005
		- - - Dollars - - -						
All Wheat	Bu	3.40	3.80	3.74	3.40	3.47	3.47	10.60
Winter	Bu	3.17	3.39	3.43	3.34	3.29	3.30	- -
Durum	Bu	5/	5/	5/	3.67	3.25	3.33	- -
Other Spring	Bu	3.64	3.94	3.85	3.48	3.73	3.71	- -
Corn	Bu	1.80	1.55	1.66	2.04	1.77	1.88	7.08
Oats	Bu	1.65	1.64	1.88	1.60	1.63	1.73	4.20
Soybeans	Bu	5.28	5.40	5.40	5.45	5.62	5.71	17.10
All Barley	Bu	2.00	1.81	2.50	2.49	2.64	2.54	7.17
Feed	Bu	1.70	1.25	5/	1.66	1.77	1.70	- -
Malt	Bu	2.02	2.01	2.50	2.74	2.93	2.86	- -
Sunflower	Cwt	12.70	11.50	10.60	13.40	12.30	11.30	- -
Flaxseed	Bu	5/	5.48	5/	8.42	5.93	5.80	14.30
Sorghum	Cwt	3/	3/	3/	2.99	2.82	2.94	11.50
All Hay	Ton	66.00	64.00	60.00	86.00	91.70	92.00	- -
Alfalfa	Ton	69.00	67.00	63.00	92.10	97.50	97.70	- -
Other	Ton	51.00	51.00	50.00	72.40	76.30	78.00	- -
Milk, Wholesale	Cwt	3/	3/	3/	16.40	15.10	14.70	37.50
Eggs, Market	Doz	3/	3/	3/	0.488	0.482	0.564	1.79
Cattle 4/	Cwt	86.00	104.00	94.10	86.80	91.30	92.70	184.00
Steers & Heifers	Cwt	99.60	116.00	110.00	91.90	97.30	99.10	- -
Cows	Cwt	47.10	49.50	48.70	48.60	46.00	46.60	- -
Calves	Cwt	127.00	143.00	143.00	122.00	133.00	135.00	249.00
All Hogs	Cwt	52.90	44.00	46.80	52.40	43.60	45.50	114.00
Barrows & Gilts	Cwt	54.40	45.20	48.00	52.70	43.90	45.80	- -
Sows	Cwt	41.20	35.70	37.40	44.80	37.00	38.20	- -
Sheep	Cwt	49.60	44.70	5/	44.60	45.40	5/	89.80
Lambs	Cwt	120.00	136.00	5/	101.00	107.00	5/	223.00

1/ Full month except hay which is mid-month. 2/ Mid-month. 3/ Annual average price only. 4/ "Cows" and "Steers & Heifers" combined.
5/ No price available.

COMING UP IN THE NEXT CROP REPORTER:

Annual Crop Summary
Winter Wheat Seedings
Grain Stocks

COLD STORAGE

STOCKS IN COLD STORAGE, UNITED STATES

Commodity	November 30, 2004	October 31, 2005	November 30, 2005	November 2005 as % of	
				November 2004	October 2005
	- - - - - - - - Thousand Pounds - - - - - - - -			- - - - Percent - - - -	
Butter	57,177	98,112	61,324	107	63
Cheese, Total Natural	704,251	750,930	716,784	102	95
Eggs, Frozen	17,324	17,619	17,593	102	100
Fruits, Frozen	1,181,257	1,213,294	1,131,878	96	93
Fruit Juices, Frozen	1,741,581	1,393,806	1,301,672	75	93
Meat, Total Red	912,602	905,928	885,021	97	98
Beef, Total Frozen	463,297	439,186	430,588	93	98
Pork, Total Frozen	436,332	446,476	433,578	99	97
Poultry, Frozen	1,064,635	1,224,511	1,074,748	101	88
Chicken	769,185	804,192	870,961	113	108
Turkey	294,868	417,605	200,901	68	48
Vegetables, Total Frozen	2,423,744	2,606,753	2,454,160	101	94
Potatoes, Total Frozen	1,219,345	1,199,971	1,123,153	92	94

Data are collected from warehouses artificially cooled to a temperature of 50 degrees Fahrenheit or lower, and whose food products are normally stored for 30 days or more. All food items in these facilities are reported regardless of the number of days stored at the time of the report. Also included are specialized storage facilities meeting the 30 day requirement, such as fruit houses, dairy manufacturing plants, frozen fruit, fruit juice, and vegetable processors, and poultry and meat packing plants. Excluded are stocks in space maintained by wholesalers, jobbers, distributors, chain stores, locker plants containing individual lockers, meat packer branch houses, and frozen food processors whose entire inventories are turned over more than once a month.

SLAUGHTER

COMMERCIAL SLAUGHTER, RED MEAT PRODUCTION, SOUTH DAKOTA AND UNITED STATES 1/

Kind	Unit	Slaughter			Nov 2005 as % of		January-November 2/		
		Nov 2004	Oct 2005	Nov 2005	Nov 2004	Oct 2005	2004	2005	2005 as % of 2004
					- -Percent - -		- Million Pounds Liveweight -		Percent
SOUTH DAKOTA									
Cattle	1,000 Head	4/	4/	4/	NA	NA	4/	4/	NA
Hogs	1,000 Head	444.4	444.4	439.7	99	99	1,097.3	1,126.3	103
Sheep	1,000 Head	1.1	0.3	1.0	91	333	1.295	1.154	89
Red Meat 3/	Million Lbs.	92.6	92.4	92.9	100	101	887.2	906.0	102
UNITED STATES									
Cattle	1,000 Head	2,542.3	2,677.9	2,667.5	105	100	37,176.7	37,291.2	100
Hogs	1,000 Head	8,972.8	9,117.1	9,132.3	102	100	25,091.7	25,314.1	101
Sheep	1,000 Head	242.0	228.5	224.5	93	98	353.0	340.9	97
Red Meat 3/	Million Lbs.	3,770.1	3,925.1	3,942.3	105	100	41,486.1	41,764.8	101

1/ Includes slaughter under Federal inspection and other Commercial slaughter, excludes farm slaughter. 2/ Accumulated totals and percentages based on unrounded data. 3/ Red Meat is based on packers' dressed weights and excludes farm slaughter. 4/ Data not published to avoid disclosing individual operations.

Carter Anderson, Director
Steve Noyes, Deputy Director